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FEDERAL COMMUNICATIONS COMMISSION

[GN Docket No. 12-268; AU Docket No. 14-252; WT Docket No. 12-269; DA 16-453]

Initial Clearing Target of 126 Megahertz Set for the Broadcast Television Spectrum Incentive Auction;

Bidding in the Clock Phase of the Reverse Auction (Auction 1001) Will Start on May 31, 2016

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: The Incentive Auction Task Force and Wireless Telecommunications Bureau announce the initial clearing target of 126 megahertz for the Broadcast Television Spectrum Incentive Auction and that the bidding in the clock phase of the reverse auction is scheduled to begin on May 31, 2016. This document also announces the mailing of Final Confidential Status Letters, the number of forward auction blocks, and details and dates regarding the availability of educational and informational materials and bidding for reverse auction applicants that are qualified to bid in the reverse auction clock phase.

FOR FURTHER INFORMATION CONTACT: Wireless Telecommunications Bureau, Auctions and Spectrum Access Division: For general auction questions, contact Linda Sanderson at (717) 338-2868.

For reverse auction legal questions, contact Erin Griffith or Kathryn Hinton at (202) 418-0660.

SUPPLEMENTARY INFORMATION: This is a summary of the Incentive Auction Clearing Target Public Notice, GN Docket No. 12-268, AU Docket No. 14-252, WT Docket No. 12-269, DA 16-453, released on April 29, 2016. The complete text of the Incentive Auction Clearing Target Public Notice is available for public inspection and copying from 8:00 a.m. to 4:30 p.m. ET Monday through Thursday or from 8:00 a.m. to 11:30 a.m. ET on Fridays in the FCC Reference Information Center, 445 12th Street S.W., Room CY-A257, Washington, DC 20554. The complete text is also available on the Commission's website at <http://wireless.fcc.gov>, the Auction 1001 website at <http://www.fcc.gov/auctions/1001>, or by using the search function on the ECFS web page at <http://www.fcc.gov/cgb/ecfs/>. Alternative formats are available to persons with disabilities by sending an email to FCC504@fcc.gov or by calling the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

1. The Incentive Auction Task Force (Task Force) and the Wireless Telecommunications Bureau (Bureau) announce the 126 megahertz initial spectrum clearing target that has been set by the Auction System's initial clearing target determination procedure and the associated band plan for the initial stage of the incentive auction, as well as the number of Category 1 and Category 2 generic license blocks in each Partial Economic Area (PEA) that will be offered in the initial stage during the forward auction (Auction 1002). The Task Force and Bureau also announce that they will send a confidential letter (the Final Confidential Status Letter) to inform each applicant that was permitted to make an initial commitment in the reverse auction (Auction 1001) of its status with respect to the clock phase of the reverse auction. Finally, the Task Force and Bureau provide details and specific dates regarding the availability of educational materials and the bidding in the clock phase of the reverse auction.

I. INITIAL CLEARING TARGET AND BAND PLAN

2. The Auction System's initial clearing target determination procedure has set an initial spectrum clearing target of 126 megahertz. Under the band plan associated with this spectrum clearing target, 100 megahertz, or 10 paired blocks, of licensed spectrum will be offered in the forward auction on a near-nationwide basis.

3. The generic license blocks offered in the initial stage during the forward auction under this band plan will consist of a total of 4030 "Category 1" blocks (zero to 15 percent impairment) and a total of 18 "Category 2" blocks (greater than 15 percent and up to 50 percent impairment). Approximately 97 percent of the blocks offered for the forward auction will be "Category 1" blocks, and 99 percent of the "Category 1" blocks will be zero percent impaired. Attached to the Incentive Auction Clearing Target Public Notice as Appendix A is a list indicating the number of "Category 1" and "Category 2" blocks available in each PEA.

4. The initial clearing target was determined by the procedure the Commission adopted in the Auction 1000 Bidding Procedures Public Notice, 80 FR 61917, October 14, 2015. Based on the initial

commitments made by broadcast applicants seeking to bid in the clock phase of Auction 1001, the procedure identified a provisional assignment of eligible television stations to channels for each possible clearing target with the primary objective of minimizing impairments to forward auction licenses, consistent with the Commission's statutory obligation to make all reasonable efforts to preserve stations' populations served and coverage areas and its international arrangements with Canada and Mexico. The initial clearing target announced is the highest possible clearing target and associated band plan for which the provisional assignment satisfies the optimization objectives and the near-nationwide standard for impairments. If a subsequent stage is necessary, the clearing target determination procedure will be applied to select a new clearing target and corresponding band plan.

II. FINAL CONFIDENTIAL STATUS LETTERS FOR REVERSE AUCTION APPLICANTS

5. The Bureau will send to the contact person for each applicant that was permitted to make an initial commitment in Auction 1001 a Final Confidential Status Letter to inform the applicant of its status. The letter will notify the applicant, for each station included in the application, either that (1) the station is qualified to participate in the clock phase of the reverse auction; (2) the station is not qualified because no initial commitment was made for that station; (3) the station is not qualified because the commitment(s) made by the applicant for that station could not be accommodated; or (4) the station is not qualified because the Auction System determined that the station is not needed to meet the initial or any subsequent clearing target.

6. Applicants with one or more qualified stations will be deemed qualified bidders for the clock phase of Auction 1001 and will be automatically registered for the auction. The initial commitment is the station's unconditional, irrevocable offer to fulfill the terms of the commitment, which if accepted by the Commission, becomes a binding obligation on the applicant. In determining the initial clearing target, the Auction System assigned each qualified station to an initial relinquishment option corresponding to an initial commitment made for the station. Qualified bidders will need to log in to the bidding system when it becomes available during the preview period to see the initial relinquishment

option each qualified station is assigned to at the start of the clock phase of the reverse auction. They will also receive instructions with the Final Confidential Status Letter for participating in the mock auction and for placing bids in the clock phase of the reverse auction, using their previously received RSA SecurID® tokens.

7. Receipt of the registration mailing is critical to participating in both the mock auction and the clock phase of the reverse auction. **Therefore, any applicant that has not received the Final Confidential Status Letter package by 12:00 noon Eastern Time (ET) on Wednesday, May 4, 2016, should contact the Auctions Hotline at (717) 338-2868.** The contact person for each applicant is responsible for ensuring that each authorized bidder receives all of the information and materials.

8. If the Final Confidential Status Letter indicates that the Auction System has determined that a station is not qualified, the applicant will not be permitted to make any bids for that station in the reverse auction clock phase. Applicants without any qualified stations will not be deemed qualified bidders and will receive along with the Final Confidential Status Letter instructions for returning their RSA SecurID® tokens. The Task Force and Bureau remind all full power and Class A broadcast television licensees, including applicants that are not deemed qualified bidders, that they remain subject to the Commission's rules prohibiting certain communications in connection with Commission auctions until the completion of the forward auction as announced by the Commission by public notice. A party that is subject to the prohibition remains subject to the prohibition regardless of developments during the auction process. In addition, though communicating whether or not a party filed an application does not violate the rules, communicating that a party "is not bidding" in the auction could constitute an apparent violation that needs to be reported. In other words, an applicant that is not qualified to bid may nevertheless violate the prohibition by communicating its status to another covered party, regardless of the reason that it is not qualified.

III. IMPORTANT UPCOMING EVENTS AND DATES FOR AUCTION 1001

9. **FCC Incentive Auction Reverse Auction Bidding System User Guide.** The Task Force and Bureau will make available an “FCC Incentive Auction Reverse Auction Bidding System User Guide,” which will describe the features of the Auction System that will be used to bid in the clock phase of the reverse auction. This user guide will be emailed to each authorized bidder on May 5, 2016. It will also be made available on the Commission’s Auction 1001 web page through a link in the “Education” section on May 5, 2016. Once posted, the user guide will remain available and accessible on the Auction 1001 web page (www.fcc.gov/auctions/1001) for reference.

10. **Online Bidding Tutorial.** An online tutorial regarding bidding in the clock phase of the reverse auction will be available on May 18, 2016. The online tutorial will be accessible from the Auction 1001 web page through a link in the “Education” section. Once posted, the tutorial will remain available and accessible on the Auction 1001 web page for reference.

11. **Bidding Preview Period.** The Auction System will be available during a preview period that will open at 10:00 a.m. ET on May 23, 2016, and close at 6:00 p.m. ET on May 24, 2016. During this preview period, authorized bidders can log in and view the list of stations for which they may make bids in the clock phase, each station’s bidding status, the initial relinquishment option assigned to the station, and, where applicable, available bid options with associated vacancy ranges and next round clock price offers.

12. **Clock Phase Workshop.** On May 24, 2016, from 10:00 a.m. ET to 1:00 p.m. ET, the Task Force, in conjunction with the Media and Wireless Telecommunications Bureaus (the Bureaus), will host a public workshop on the bidding system that will be used for bidding in the clock phase of Auction 1001. Details about the workshop and remote viewing will be released at a later date. After the event, a recording of the clock phase workshop will be accessible from the Auction 1001 web page through a link in the “Education” section. Once posted, the clock phase workshop will remain available and accessible

on the Auction 1001 web page for reference.

13. **Mock Auction and Mock Auction Preview Period.** The Task Force and Bureaus will conduct one mock auction for all bidders qualified to bid in the clock phase of Auction 1001 beginning on May 25, 2016, and ending on May 26, 2016. The schedule of rounds for the mock auction is as follows. On May 25, 2016: Mock Bidding Round 1 (10:00 a.m. - 12:00 p.m. ET) and Mock Bidding Round 2 (3:00 p.m. – 5:00 p.m. ET). On May 26, 2016: Mock Bidding Round 3 (10:00 a.m. – 11:00 a.m. ET); Mock Bidding Round 4 (1:00 p.m. – 2:00 p.m. ET); and Mock Bidding Round 5 (4:00 p.m. – 5:00 p.m. ET).

14. The mock auction will allow qualified bidders to become familiar with the clock phase bidding system and to ask Commission auction and technical support staff questions about the system and auction conduct. The Auction System will provide each bidder with a number and variety of stations for the mock auction similar to what the bidder will have during the actual clock phase of the reverse auction. The station(s) assigned to a bidder in the mock auction will be hypothetical, rather than the bidder's actual station(s) that it is qualified to bid for in the clock phase of the reverse auction, and the price offers that bidders see in the mock auction will not be the same as the actual price offers they see in the reverse auction itself. The mock auction will simulate the start of the auction, and each bidder will be allowed to submit bids for the stations shown. If a bidder does not make bids for a station, the station will be eliminated from further bidding in the mock auction. A bidder should take advantage of the mock auction to practice taking actions it may wish to take during actual bidding in the clock phase of Auction 1001 and to further familiarize itself with the bidding software.

15. The Task Force and Bureaus will conduct the mock auction over the Internet and provide the option of bidding by telephone. During a preview period that will open on the first day of the mock auction, May 25, 2016, at 9:00 a.m. ET and remain open until 10:00 a.m. ET, authorized bidders will be able to log in and view the list of stations for which they may make bids during the mock auction. A

qualified bidder will be able to access the mock auction during the preview period at the link provided in the materials that accompany the Final Confidential Status Letter. That link will also be used to bid in the mock auction. The Task Force and Bureaus strongly recommend that all qualified bidders participate in the mock auction.

16. **Clocks Rounds Start Date and Round Schedule.** Bidding in the clock phase of Auction 1001 will begin on May 31, 2016, on the following schedule: May 31, 2016: Bidding Round (10:00 a.m. – 4:00 p.m. ET) and June 1, 2016: Bidding Round (10:00 a.m. – 2:00 p.m. ET). Starting on June 2, 2016, and continuing until further notice, the schedule will be: Bidding Round (10:00 a.m. – 12:00 p.m. ET) and Bidding Round (3:00 p.m. – 5:00 p.m. ET). The Bureau may adjust the number and length of bidding rounds based upon its monitoring of the bidding and assessment of the reverse auction's progress. The Bureau will provide notice of any adjustments by announcement in the Auction System during the course of the auction.

FEDERAL COMMUNICATIONS COMMISSION

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